

## PREPARE STANDARD YEAR-END ADJUSTING ENTRIES

The standard adjusting entries required at year end are illustrated in the *State Administrative Manual* (SAM) Sections 10600 - 10615. They are designated as entries A-1 through A-13. All year-end adjusting entries are entered in Fiscal Month 13.

### ENTRY A-1: Record Undeposited Receipts

The A-1 entry adjusts the agency's GLA 1110-General Cash and GLA 1120-Agency Trust Fund Cash accounts to accurately reflect the amount deposited in the agency's accounts with the State Treasurer. Entry A-1 is required for cash received but not deposited by June 30, including warrants issued by the SCO dated June 30 or earlier. Entry A-1 does not apply to warrants issued to repay the Office Revolving Fund (ORF). Enter the appropriate TC to post the cash receipt in addition to the following:

To adjust GLA 1110-General Cash:

TC 530 - A-1 Adj Gen Cash for Undeposited Receipts  
Dr. 1190 Cash on Hand  
Cr. 1110 General Cash

To adjust GLA 1120-Agency Trust Fund Cash:

TC 529 - A-1 Adj Agy Trust Fund Cash for Undeposited Receipts  
Dr. 1190 Cash on Hand  
Cr. 1120 Agency Trust Fund Cash

*A-1 entries (TC 530, TC 529) are reversed in the new year. Auto-reverse batches are recommended for A-1 entries.*

### ENTRY A-2: Adjust Revolving Fund Cash Account

The A-2 entry records the agency's ORF cash balance as of June 30 into the advancing fund. During the fiscal year, all ORF activities are recorded in the Office Revolving Fund (Fund 0998). At year-end, all of these activities must be transferred to the fund that advanced the cash to the Office Revolving Fund. The full amount of the ORF is carried in the advancing fund general ledger during the year as GLA 1130-Revolving Fund Cash or GLA 1400-Due from Office Revolving Fund (Subsidiary Code 14000998). As part of the A-2 entry, several transactions are posted to reflect all ORF account activities in the advancing fund(s) as of June 30. The A-2 adjusting entries must be posted using the Appropriation Symbol for the ORF advance (Account Type 97).

Several A-2 entries are common to all agencies. Other entries are dependent upon:

- ✪ Whether CALSTARS ORF (Fund 0998) and a Clearing Account are used; and

- ✪ Whether the Clearing Account and the Revolving Fund advance are in the same fund.

**NOTE:** Any entries that result in an error message due to an abnormal document balance can be posted using Command **C.3** fund control override procedures (**44, W**) or by changing position '3' (DF BAL-PY13) in the fund-related error severity segment of the OC Table to **W**. (The table entry must be in the same FFY as the transaction.)

### **A-2 Entries Common to All Agencies**

Make these entries in the fund that **advanced** cash to ORF, if applicable.

TC 521 - A-2 Record Year-end Expense Advances <sup>1/</sup>

Dr. 1710 Expense Advance

Cr. 1130 Revolving Fund Cash

TC 525 - A-2 Record Year-end Deferred Charges <sup>2/</sup>

Dr. 2600 Deferred Charges

Cr. 1130 Revolving Fund Cash

TC 528 - A-2 Record ORF Cash Shortages

Dr. 1316 Accounts Receivable Cash Shortages

Cr. 1130 Revolving Fund Cash

TC 531 - A-2 Record Year-end ORF Cash on Hand <sup>3/</sup>

Dr. 1190 Cash on Hand

Cr. 1130 Revolving Fund Cash

TC 534 - A-2 Record Amount Advanced to Bank for Bank Draft Account

Dr. 1160 Cash in Agency Accounts-Bank/Savings and Loans

Cr. 1130 Revolving Fund Cash

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<sup>1/</sup> Combine unreimbursed advances for GLAs 1710, 1712 and 1714 that have not been accrued via the A-8 entry. For the unreimbursed advances accrued as expenditures via the A-8 entry, use TC 527.

<sup>2/</sup> GLA 2600 do not reflect on the DB1/DB2 reports. Therefore, the SCO/CALSTARS Reconciliation for the Category 97-Revolving Fund Advance appropriation will be off by the amount of the TC 525 entry.

<sup>3/</sup> Includes SCO warrants dated June 30 or prior to repay the ORF.